

**AMENDMENT No. 1 TO
SECOND AMENDED DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM**

CONDOMINIUM PROJECT NAME:	ALLURE WAIKIKI
PROJECT ADDRESS:	1837 Kalakaua Avenue Honolulu, Hawaii 96815
REGISTRATION NUMBER:	6185
EFFECTIVE DATE OF REPORT:	November 4, 2009
THIS AMENDMENT:	<input checked="" type="checkbox"/> Must be read together with <input type="checkbox"/> Developer's Public Report dated _____ <input checked="" type="checkbox"/> Amended Report dated <u>May 8, 2008</u> <input type="checkbox"/> Supersedes all prior amendments: Includes all prior amendment(s) and <u>must</u> be read together with <input type="checkbox"/> Developer's Public Report dated _____ <input type="checkbox"/> Amended Report dated _____
DEVELOPER(S):	FRC WAIKIKI, LLC, a Delaware limited liability company

Preparation of this Amendment

The Developer prepared this amendment pursuant to the Condominium Property Act, Section 514B-56, Hawaii Revised Statutes (HRS), as amended from time to time. Section 514B-56, HRS, requires that after the Commission has issued an effective date for the Developer's Public Report, if there are any changes, either material or pertinent changes, or both, regarding the information contained in or omitted from the Developer's Public Report, or if the developer desires to update or change the information set forth in the Developer's Public Report, the developer shall immediately submit to the Commission an amendment to the Developer's Public Report or an amended Developer's Public Report clearly reflecting the change, together with such supporting information as may be required by the Commission, to update the information contained in the Developer's Public Report.

The law defines "material change" as used in parts IV and V of Chapter 514B, HRS means any change that directly, substantially, and adversely affects the use or value of (1) A purchaser's unit or appurtenant limited common elements; or (2) Those amenities of the project available for the purchaser's use.

The law defines "pertinent change" to mean, as determined by the commission, a change not previously disclosed in the most recent public report that renders the information contained in the public report or in any disclosure statement inaccurate, including, but not limited to (1) The size, construction materials, location, or permitted use of a unit or its appurtenant limited common element; (2) The size, use, location, or construction materials of the common elements of the project; or (3) The common interest appurtenant to the unit. A pertinent change does not necessarily constitute a material change.

The filing of an amendment to the Developer's Public Report or an amended Developer's Public Report, in and of itself, shall not be grounds for a purchaser to cancel or rescind a sales contract. A purchaser's right to cancel or rescind a sales contract shall be governed by sections 514B-86 and 514B-87, HRS, the terms and conditions of the purchaser's contract for sale, and applicable common law.

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at (808) 586-2643 to submit your request.

This Amendment has not been prepared or issued by the Real Estate Commission or any other governmental agency. The issuance by the Commission of an effective date for this amendment to the Developer's Public Report (1) does not mean that the Commission approves or disapproves of the project; (2) does not mean that the Commission thinks that either all material facts, material changes, or pertinent changes about the project have been fully or adequately disclosed; and (3) is not the Commission's judgment of the value or merits of the project.

The law defines "material facts" to mean any fact, defect, or condition, past or present that to a reasonable person, would be expected to measurably affect the value of the project, unit, or property being offered or proposed to be offered for sale.

This amendment may be used by the Developer for promotional purposes only if it is used with the last Developer's Public Report in its entirety.

Prospective purchasers and purchasers are encouraged to read this amendment carefully and to seek professional advice.

Summary of Changes from Earlier Developer's Public Report are Described Beginning on the Next Page

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Summary of Changes from Earlier Developer's Public Report:

This summary contains a general description of the changes, if any, made by the developer since the last Developer's Public Report was issued an effective date. It is not necessarily all inclusive. Prospective purchasers and purchasers must read this amendment together with the last Developer's Public Report with the effective date as noted on the top of page 1 if they wish to know the specific changes that have been made.

Changes made are as follows (include a description of what the change is and page number and or exhibit alphabet or number; additional pages may be used):

A. Changes made as follows:

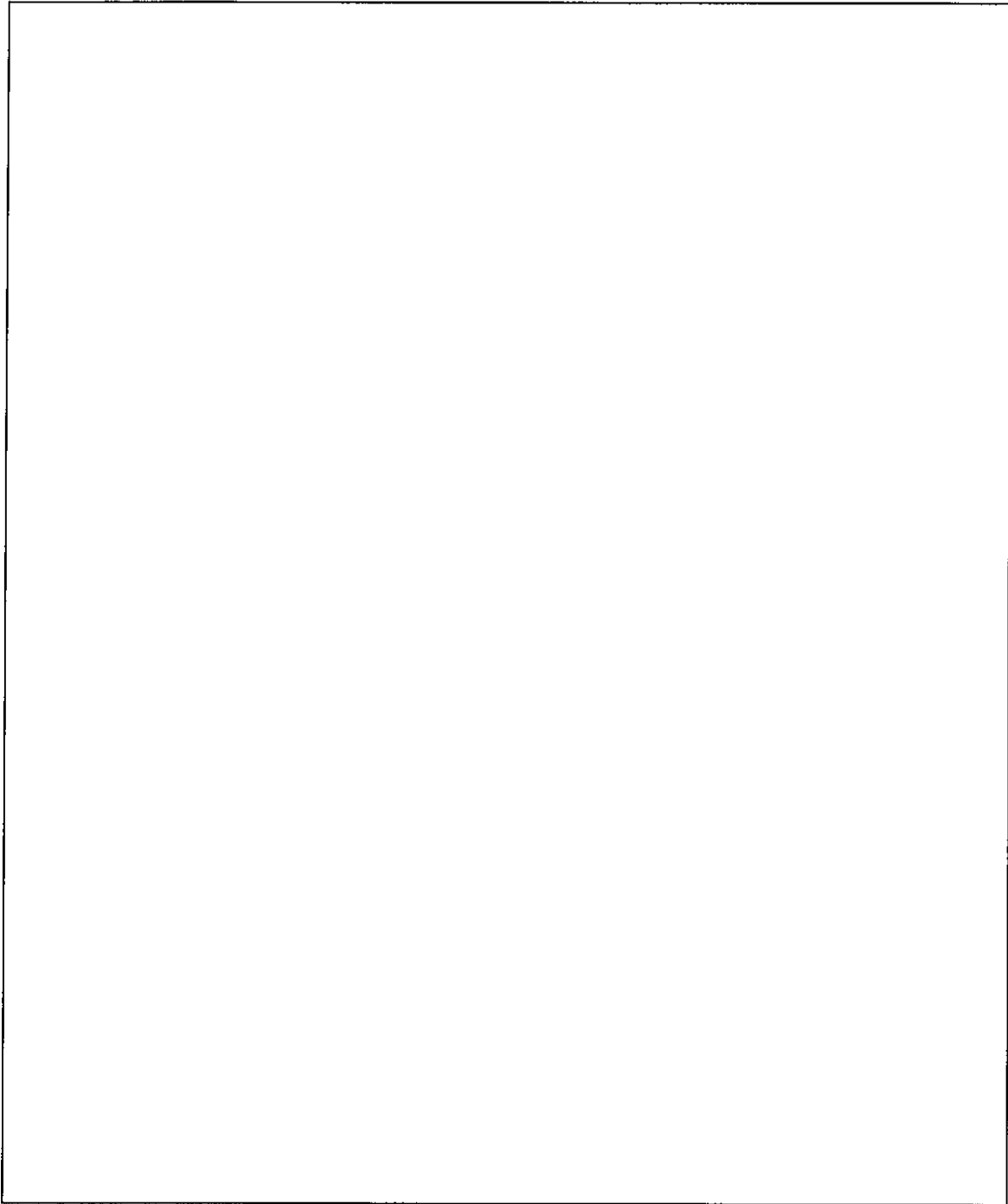
1. An Amendment to Declaration of Condominium Property Regime of Allure Waikiki (Condominium Map No. 4437) was recorded on October 9, 2009 as Document No. 2009-155932 to clarify that, except to the extent required to comply with the Act, the deletion and removal of the Removable Land shall not reapportion the allocation of common interest appurtenant to the Residential Units. The foregoing change was made by Declarant pursuant to Declarant's reserved rights in the Declaration, including Section S.11 thereof, among other sections of the Declaration. A copy of the Amendment to Declaration is attached hereto.
2. The budget has been updated.

B. This resulted in changes to the following pages of and Exhibits to the Second Amended Public Report, all of which changed pages and Exhibits are attached to this Amendment No. 1 to Second Amended Developer's Public Report:

1. Page 10 has been revised to reflect the recordation of the Amendment to Declaration.
2. Exhibit O (Section 3.6 -- Rights Reserved by Developer to Make Changes to the Condominium Project or Condominium Documents) has been revised to conform to the Amendment to Declaration at Paragraph 2(d)(ii).
3. Exhibit P (Section 4.2 -- Estimate of the Initial Maintenance Fees) has been revised to reflect the updated budget.

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Changes continued:



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The Developer declares subject to the penalties set forth in Section 514B-69, HRS that this project continues to conform to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a) (13), HRS.

For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report as amended, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Section 1.15 of this report as amended, along with the requirements to cure any violation, and Section 5.5 specifies the date by which the cure will be completed.

The Developer hereby certifies that all the information contained in this report as amended and the exhibits attached to this report (if any) as amended and all documents to be furnished by the Developer to purchasers concerning the project have been reviewed by the Developer and are, to the best of the Developer's knowledge, information and belief, true, correct and complete. The Developer hereby agrees promptly to amend this report as amended to report and include either or all material facts, material or pertinent changes to any information contained in or omitted from this report and to file annually a report to update the material contained in this report as amended at least 30 days prior to the anniversary date of the effective date of this report.

FRC WAIKIKI, LLC, a Delaware limited liability company

Printed Name of Developer


Duly Authorized Signatory*

10.7.09
Date

Alan Schachtman, Authorized Signatory

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, _____ City and County of Honolulu

Planning Department, _____ City and County of Honolulu

***Must be signed for a corporation by an officer; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**

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3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances (Regular System) or filing in the Office of the Assistant Registrar of the Land Court, or both, a Declaration of Condominium Property Regime, a Condominium Map and the Bylaws of the Association of Unit Owners. The Condominium Property Act (Chapter 514B, HRS), the Declaration, Bylaws and House Rules control the rights and obligations of the unit owners with respect to the project and the common elements, to each other, and to their respective units.

3.1 Declaration of Condominium Property Regime

The Declaration of Condominium Property Regime contains a description of the land, buildings, units, common interests, common elements, limited common elements, and other information relating to the condominium project.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	April 25, 2007	2007-074084

Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	May 30, 2007	2007-096748
Bureau of Conveyances	June 20, 2007	2007-110677
Bureau of Conveyances	November 5, 2007	2007-194448
Bureau of Conveyances	October 9, 2009	2009-155932

3.2 Bylaws of the Association of Unit Owners

The Bylaws of the Association of Unit Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Unit Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters that affect how the condominium project will be governed.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	April 25, 2007	2007-074085

Amendments to Bylaws of the Association of Unit Owners

Land Court or Bureau of Conveyances	Date of Document	Document Number

3.3 Condominium Map

The Condominium Map contains a site plan and floor plans, elevations and layout of the condominium project. It also shows the floor plan, unit number and dimensions of each unit.

Land Court Map Number	
Bureau of Conveyances Map Number	4437
Dates of Recordation of Amendments to the Condominium Map:	
May 30, 2007, Document No. 2007-096749	
November 5, 2007, Document No. 2007-194447	

EXHIBIT O

Section 3.6 -- Rights Reserved by Developer to Make Changes to the Condominium Project or Condominium Documents

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL OF THE RIGHTS RESERVED BY DEVELOPER UNDER THE CONDOMINIUM DOCUMENTS CONTAINED IN THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF SUCH RESERVED RIGHTS, PURCHASER SHOULD REFER TO THE DECLARATION TO DETERMINE THE ACTUAL RIGHTS RESERVED BY DEVELOPER. IF ANY CONFLICT OR DIFFERENCES EXISTS BETWEEN THIS SUMMARY AND THE DECLARATION, THE DECLARATION WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

Developer has the right to change the condominium documents for any of the following reasons or purposes:

1. Board Approval. Notwithstanding the provisions contained elsewhere in the Declaration, Developer reserves for a period of twenty-five (25) years from the Recording of the Declaration the rights listed in this section and **Section S** of the Declaration for itself and each Owner where so specified (including Developer to the extent it is an Owner), which reserved rights may be exercised by Developer and, where so indicated, by an Owner, without the approval of the Board or any other party with an interest in the Project, including other Owners or their mortgages.

2. Declarant's Reserved Right to Reconfigure and Delete Land

(a) Declarant's Right to Subdivide, Consolidate and Resubdivide. Declarant shall have the right, at its sole discretion and without being required to obtain the consent or joinder of, and without notice to, any person or group of persons, including the Association, any Unit Owner, or any Mortgagee, lien holder, any Unit purchaser, or any other person who may have an interest in the Project or in any Unit, to effect or participate (unilaterally or jointly with the owner or owners of adjacent parcels of land) in one or more subdivisions of the Land or one or more consolidations and resubdivisions of the Land, including, without limitation, with adjacent parcels of land, the result of which may be to adjust the boundaries of the Land and delete from the Project a substantial portion of the land covered by the Declaration containing approximately $0.6 \pm$ acres (the "**Removable Land**"), leaving a net area in excess of approximately $1.7 \pm$ acres. Any such adjustment(s) of boundaries will reconfigure the Land (i) to reflect the removal of the Commercial Unit and appurtenant Limited Common Elements, if elected by Declarant in its sole and absolute discretion, from the Land, (ii) to effect dedication of any road, shoulder or setback areas, or (ii) such that it actually conforms to the configuration of the Land as depicted on the Condominium Map. Accordingly, such reconfiguration of the Land will not affect the layout, location, dimensions, or structure of the Tower or Residential Units, or other increments of the Project as shown on the Condominium Map, all as set forth and described in the Declaration. Upon removal and deletion of the Removable Land as set forth in this section and **Section S.2** of the Declaration, and with no further action required, the Removable Land shall cease to be a part of the Project or subject to the Declaration or the Act, and no Unit Owner, Mortgagee, lien holder, Unit purchaser, or any other person (other than Declarant and the holder of any blanket Mortgage affecting the Removable Land prior to the Declaration) who may have an interest in the Project or any Unit shall have any legal or equitable interest in the Removable Land (or in any other land adjacent to the Land which may have been consolidated with the Land pursuant to this section and **Section S.2** of the Declaration). If deemed necessary to effect the intent of this section and **Section S.2** of the Declaration, each Unit Owner, Mortgagee, lien holder, and any other person who may have an interest in the Project or any Unit shall, if requested by Declarant,

unconditionally quitclaim and/or release its interest, if any, in the Removable Land (and in any other land adjacent to the Land which may have been consolidated with the Land pursuant to this section and **Section S.2** of the Declaration) to Declarant or to Declarant's designee.

(b) Declarant's Right to Process Approvals and Petitions. In the exercise of the foregoing rights, Declarant may on multiple occasions at any time (i) file and process the final approval an application with the City and County of Honolulu for a legal subdivision of the Removable Land from the Land covered by the Declaration (or for a consolidation and resubdivision resulting in the legal subdivision of the Removable Land from the Land covered by the Declaration), (ii) file and process a petition for an order of subdivision or consolidation and resubdivision, designation, granting, conveyance, transfer, cancellation, relocation, and reservation of easements and/or rights of way with the Bureau, and/or any other procedure required to fully and legally effect such subdivision or consolidation and resubdivision, designation, granting, conveyance, transfer, cancellation, relocation, and reservation of easements and/or rights of way, (iii) Record one or more amendments to the Declaration which shall contain an amended description of the Land covered by the Declaration deleting therefrom the Removable Land, (iv) if deemed necessary by Declarant, Record one or more amendments to the Condominium Map showing any changes to the Project, and (v) if deemed necessary by Declarant, apply for and obtain from the Real Estate Commission of the State of Hawaii an amended public report or an amendment to the public report describing the changes made to the Project pursuant to this section and **Section S.2** of the Declaration. The Removable Land shall be deemed deleted from the Project for all purposes upon the Recordation of the amendment(s) to the Declaration referenced herein, provided, however, that the removal and deletion of the Removable Land from the Project shall not impair the rights of such Land to use the common elements within the Project as set forth in the amendment(s) to the Declaration effecting the removal and deletion of the Removable Land.

(c) Declarant as Attorney in Fact. Declarant shall have the absolute right, notwithstanding the lease, sale, or conveyance of any Unit and without being required to obtain the consent or joinder of, and without notice to, any Unit Owner, lien holder, or other persons, to effect the removal and deletion of the Removable Land in accordance with this section and **Section S.2** of the Declaration, and to execute, Record, and/or file the herein described applications, petitions, amendments, quitclaims, releases, and any and all other instruments necessary or appropriate for the purpose of effecting the removal and deletion of the Removable Land as contemplated in this section and **Section S.2** of the Declaration. Any such action shall be deemed taken by Declarant as the true and lawful attorney-in-fact of the respective Unit Owners and lien holders. Each and every party acquiring an interest in any Unit, the Project, or the Land covered by the Declaration, by such acquisition, consents to such deletion and removal and to the filing or Recordation of such documents as may be necessary or convenient to effect the same, agrees to execute such documents, and do such other things on its behalf, which grant of such power, being coupled with an interest, is irrevocable and shall not be affected by the disability of any such party.

(d) Restrictions. The rights reserved to Declarant in the Declaration and **Section S.2** of the Declaration are subject to the following conditions:

(i) No Effect on Buildings, Units, or Other Improvements Shown on Condominium Map. The deletion and removal of the Removable Land described above shall not affect the layout, location, dimensions, or structure of any of the buildings, Units, or other improvements to the Project as shown on the Condominium Map, except to the extent such modifications are necessary to permit the deletion and removal of the Removable Land.

(ii) No Change in Common Interest. Except to the extent required to comply with the Act, the deletion and removal of the Removable Land shall not reapportion the allocation of common interest appurtenant to the Residential Units.

(iii) Gross Area. The gross land area of the Removable Land shall not exceed 0.6 acres.

(iv) Date. The subdivision or consolidation and resubdivision pursuant to this section and **Section S.2** of the Declaration shall be ordered and effected not later than twenty-five (25) years following the Recordation of the Declaration.

3. Reserved Rights Generally with Respect to the Units and the Limited Common Elements. Notwithstanding anything provided to the contrary and without limitation of Developer's easement rights, Developer shall have the reserved right, but not the obligation, to: (a) transfer the exclusive use rights associated with a Limited Common Element appurtenant to any Unit owned by Developer to another Unit; (b) convert Limited Common Elements appurtenant to any Unit owned by Developer to Common Elements, and upon such conversion, the Association shall accept any such conversion, and shall not have any right to refuse or reject any such conversion; (c) alter, maintain, repair, demolish and/or replace any Limited Common Element appurtenant to the Units owned by Developer; (d) create any number, alter, maintain, repair, demolish and/or replace any of the Units owned by Developer; (e) modify any of the uses associated with any Unit owned by Developer or the Limited Common Elements appurtenant thereto, provided that any such use complies with applicable law; (f) retain (as provided in the Declaration) such Units as Developer in Developer's sole discretion shall determine; (g) discontinue the use and availability of certain Units owned by Developer; and (h) use any Unit or other portion of the Project as permitted pursuant to Developer's easement rights.

4. Reserved Right to Subdivide and Consolidate Units. Notwithstanding anything provided to the contrary, and except as otherwise provided by law:

(a) Developer shall have the reserved right, without obtaining the approval of any party with an interest in the Project, including any other Unit Owner and/or mortgagee, to: (i) alter the floor plan of any Unit which it owns at any time provided that the Common Interest appurtenant to the Unit shall not change; (ii) cause the subdivision of any Unit which it owns at any time to create two (2) or more Units provided that the total Common Interest appurtenant to the newly created Units shall equal the Common Interest appurtenant to the original Unit; and (iii) convert certain portions of any existing Unit owned by Developer to Limited Common Element or Common Element status or any Common Element or any Limited Common Element to Unit status to facilitate any subdivision or consolidation. In any such situation, the total Common Interest appurtenant to the newly created Unit or Units shall equal the Common Interest appurtenant to the original Unit or Units.

(b) If Developer is the Owner of any two (2) Units separated by a party wall, floor or ceiling, Developer shall have the right, without obtaining the approval of any party with an interest in the Project, including any other Unit Owner and/or mortgagee to consolidate two (2) or more Units and to alter or remove all or portions of the intervening wall, floor or ceiling at Developer's expense provided that: (i) the structural integrity of the Project is not thereby affected; (ii) the finish of the Common Element then remaining is restored to a condition substantially compatible with that of the Common Element prior to such alteration; and (iii) all construction activity necessary to any such alteration or removal shall be completed within a reasonable period of time after the commencement thereof, subject to delays beyond the control of Developer or its contractors, whether caused by strikes, the unavailability of construction materials or otherwise, in which case any such construction activity shall be completed in such additional time as may be reasonably necessary in the exercise of due diligence.

(c) Developer, in the process of consolidating Units that it owns, shall have the right to convert that area between Units or any common area hallway or other common area feature adjacent thereto into a Unit (as opposed to the same remaining a Common Element) for so long as such Units shall remain consolidated or shall continue to be commonly used or owned.

(d) Developer shall have the reserved right, without obtaining the approval of any party with an interest in the Project, including any other Unit Owner and/or mortgagee, to modify the classification of a Unit or newly created Unit that it owns (whether or not resulting from the consolidation and subdivision of an existing Unit or the conversion of a Limited Common Element).

5. Reserved Right to Create New Units. Notwithstanding anything provided to the contrary, and except as otherwise provided by law, Developer shall have the right, without obtaining the approval of any party with an interest in the Project, including any other Owner and/or mortgagee, to convert a Limited

Common Element appurtenant to such Unit or Units owned by Developer, or any portion thereof, into a separate Unit of the Project. In such event, Developer shall have the right, without obtaining the approval of any party with an interest in the Project, including any other Owner and/or mortgagee, to alter the physical aspects of the Limited Common Element at Developer's expense in connection with such conversion, including building such structures as may be necessary or appropriate, provided that: (a) the structural integrity of the Project is not thereby affected; (b) the finish of the Unit is consistent with the quality of other Units in the Project and any remaining portion of the Limited Common Element not converted to a Unit, if any, is restored, to the extent feasible, to a condition substantially compatible with that of the Limited Common Element prior to such conversion; and (c) all construction activity necessary to any such conversion shall be completed within a reasonable period of time after the commencement thereof, subject to delays beyond the control of Developer or its contractors, whether caused by strikes, the unavailability of construction materials or otherwise, in which case any such construction activity shall be completed in such additional time as may be reasonably necessary in the exercise of due diligence. Developer shall also have the reserved right to designate certain Common Elements or Limited Common Elements of the Project as Limited Common Elements appurtenant to the newly-created Unit; provided that there is no material adverse effect on the remainder of the Project. Any such alteration associated with such conversion shall comply in all respects with all applicable governmental codes, statutes, ordinances and rules and regulations. By acceptance of a deed to a Unit, each Owner acknowledges and agrees that, as provided in **Section E.3** of the Declaration, Declarant shall have the right, without being required to obtain the consent or joinder of, and without notice to, any Unit Owner, lien holder, or other persons, to alter (diminish or increase) by a Recorded amendment to the Declaration the common interest, voting rights, limited common elements and/or easements appurtenant to each Unit upon the alteration of the Project as provided in this section and **Section S.5** of the Declaration.

6. Reserved Right to Convey Units and Limited Common Elements to Association. Developer shall have the reserved right, but not the obligation, to convey Units that are owned by Developer and free of liens to the Association and to redesignate Limited Common Elements appurtenant to Units owned by Developer to Limited Common Elements appurtenant to Units owned by the Association and to the extent necessary or required, to amend the Declaration and the Condominium Map to effect the same.

7. Reserved Right to Approve Alterations. Developer shall have the right, but not the obligation, to approve any alteration of any kind that affects or may affect the appearance of all or any portion of the Project.

8. Additional Reserved Rights Regarding Alterations and Repair. Any other provision in the Declaration to the contrary notwithstanding, Declarant does hereby reserve the rights described in this section and **Section S.8** of the Declaration unto Declarant, its successors and assigns. Prior to the later of (i) the time that all Units in the Project have been sold and the conveyance thereof Recorded, (ii) twenty-five (25) years following the Recordation of the Declaration, and (iii) the filing by Declarant of the "as built" verified statement (with plans, if applicable) required by Section 514B-34(a) of the Act, Declarant shall have the right, but not the obligation, and without being required to obtain the consent or joinder of, and without notice to, any person or group of persons, including the Association, any Unit Owner or any Mortgagee, lienholder, Unit purchaser, or any other person who may have an interest in the Project, to do the following:

(a) Configuration of Units, and Other Changes. Declarant shall have the absolute right, notwithstanding the lease, sale, or conveyance of any Unit and without being required to obtain the consent or joinder of, and without notice to, any Unit Owner, lien holder, or other persons, to make alterations in the Project (and to amend the Declaration and the Condominium Map accordingly) which change the configuration of, alter the number of rooms of, decrease or increase the size of, or change the location of any Unit (and the Limited Common Elements appurtenant thereto) in the Project which is not sold and the conveyance thereof Recorded, which right includes the ability to change the overall "product mix" (e.g., change the Unit types or change the configuration of Unit built on a particular floor of the Tower).

(b) Alterations to the Project. Declarant shall have the absolute right, notwithstanding the lease, sale, or conveyance of any Unit and without being required to obtain the consent or joinder of, and without notice to, any Unit Owner, lien holder, or other persons, to make other

alterations in the Project (and to amend the Declaration and the Condominium Map accordingly) which make minor changes in any Unit in the Project or in the Common Elements that do not affect the physical location, design, or size of any Unit that has been sold and the conveyance thereof Recorded. Without limitation of the foregoing, Declarant shall have the absolute right to reduce the number of floors in the Project and change the overall product mix on a floor so long as such changes do not affect the physical location, design, or size of any Unit that has been sold and the conveyance thereof Recorded.

(c) Commercial Structure and Construction of the Potential Exit. Declarant shall have the absolute right, notwithstanding the lease, sale, or conveyance of any Unit and without being required to obtain the consent or joinder of, and without notice to, any Unit Owner, lien holder, or other persons, to (i) construct the Commercial Structure within the Commercial Unit and otherwise Improve the Commercial Unit and (ii) construct the Potential Exit (and, in each case, to amend the Declaration and the Condominium Map accordingly).

By acceptance of a deed to a Unit, each Owner acknowledges and agrees that, as provided in **Section E.3** of the Declaration, Declarant shall have the right, without being required to obtain the consent or joinder of, and without notice to, any Unit Owner, lien holder, or other persons, to alter (diminish or increase) by a Recorded amendment to the Declaration the common interest, voting rights, limited common elements and/or easements appurtenant to each Unit upon the alteration of the Project as provided in this section and **Section S.8** of the Declaration.

9. Reserved Right to Amend Declaration and Condominium Map. In connection with Developer's exercise of Developer's reserved rights set forth in this section and **Section S.9** of the Declaration, Developer shall have the absolute right, notwithstanding the lease, sale, or conveyance of any Unit and without being required to obtain the consent or joinder of, and without notice to, any Unit Owner, lien holder, or other persons, to amend the Declaration and the Condominium Map as appropriate in accordance with this section and **Section S.9** of the Declaration, including, without limitation, as may be necessary or convenient to describe any new Improvements constructed on the Property in accordance with the Declaration.

(a) The amendment to the Declaration shall describe (i) any additional buildings, the number of stories and any basements and the principal materials used in construction, (ii) the Unit number of the new Unit, its location, approximate area, number of rooms, percentage interest in common element, and another other information needed to properly identify the Unit, (iii) any new common elements, (iv) any additional or newly designated Limited Common Elements appurtenant to the new Unit, (v) any additional restrictions on use not otherwise set forth in the Declaration, and (vi) any other information that Developer deems necessary or appropriate or is required by law.

The amendment to the Condominium Map shall (i) include the floor plans and elevations of any new building or buildings, (ii) include, if new Units are created, the layout, location, Unit numbers and dimensions of the new Units, and (iii) be accompanied by a certificate signed by a registered architect or professional engineer pursuant to Section 514B-34 of the Act.

10. Reserved Right to Amend Recorded Deeds. Developer shall have the reserved right to amend any Recorded deed or other document conveying or encumbering a Unit or interest in a Unit so that it conforms to amendments made to the Declaration or the Condominium Map, or Developer may Record a new deed for that purpose or Record an appropriate amendment to the Declaration, Bylaws and/or Condominium Map. For example, if Developer creates new Units in the Project, it may need to adjust the common interest of each existing Unit as set forth in **Section E.1** of the Declaration. In that event, Developer may amend the Declaration or deeds for existing Units to reflect the change in the common interest or it may issue replacement deeds reflecting the new common interest of each Unit.

11. Reserved Right to Modify Project to Comply with Law. Developer shall have the reserved right, to effect such modifications to the Units and Common Elements in the Project and/or to execute, Record and deliver any amendments to the Declaration, the Condominium Map as well as the Bylaws and rules and regulations promulgated thereunder, as may be necessary or required to effect compliance by the Project, the Association, or by Developer with laws which apply to the Project, including, without limitation, the Fair Housing Act, as amended, 42 U.S.C. §§ 3601 et seq., including any and all rules and

regulations promulgated thereunder, and the Americans With Disabilities Act, as amended, 42 U.S.C. §§ 12101 et seq., including any and all rules and regulations promulgated thereunder. Without limitation, Developer may amend the Declaration (and, when appropriate, the Condominium Map) in any manner required to retrofit guest parking stalls, so they are suited for use by persons with disabilities and to assign such stalls as appurtenant Limited Common Elements to any one or more of the Units intended for use by persons with disabilities upon substitution therefor of alternate guest parking stall(s). Such assignment may be made to Units, the Owners of which Developer, in its sole judgment, determines require a parking stall accessible to persons with disabilities. Such reassignment is hereby specifically declared not to constitute a material amendment of the Declaration or, when appropriate, the Condominium Map. All costs of such reassignment shall be borne as determined by Declarant. Notwithstanding the foregoing, Declarant also reserves the right, but does not hereby undertake any obligation, to interchange guest parking stalls and the disabled guest parking stalls to accommodate Unit Owners in need of such parking. The rights of Declarant under this section and **Section S.11** of the Declaration may be assigned to the Association, without the consent of joinder of, and without notice to, the Board.

12. Reserved Right Regarding Sales and Marketing Activities. Without limiting any other provision of the Declaration, Developer shall have all the rights specified in the Declaration to conduct extensive sales, leasing, rental and other marketing activities and to use the Project and any portion thereof, in the manners specified in the Declaration, without the consent or joinder of, and without notice to, any Owner or the Owner's mortgagee, in such efforts.

13. Reserved Right to Refinance. Developer shall have the reserved right, but not the obligation, to refinance the mortgage described in **Exhibit A** to the Declaration. Each Owner acknowledges that Developer may borrow additional or substitute money from a construction lender to add to or replace the existing loan secured by the mortgage described in **Exhibit A** to the Declaration for the development of the Project. To secure such loan, Developer may grant to the lender security interests covering Developer's interest in the Land and the Project. Each Owner acknowledges and agrees that all security interests obtained by the lender in connection with such loan, as well as any extensions, renewals and modifications thereof, shall be and remain at all times, until the Recordation of the deed for the Unit and the Unit's release from the security for the loan, a first lien or charge on the Project. Each Owner hereby intentionally waives, relinquishes and subordinates the priority or superiority of any lien or other legal or equitable interest arising under any agreement with Developer in favor of the lien or charge on the Project and the Unit of the security interests of the lender, including, but not limited to, any lien, mortgage or charge securing a loan made to finance the costs of construction and other costs during such construction and any and all advances therefor, whether contractual or voluntary, until the Recordation of the deed for the Unit and the Unit's release from the security for the loan.

14. Reserved Right re Licenses and Permits for Common Area Maintenance. Each Owner acknowledges and agrees that Declarant, on behalf of the Association, may seek or has obtained certain licenses and permits from the applicable planning department of the County relating to common area maintenance. To the extent that any such licenses or permits have not been issued to the Association, Declarant and its agents, employees, contractors, licensees, successors, mortgagees and assigns, reserve the right to transfer to the Association any and all obligations in connection with such licenses and permits. In connection with such licenses and permits, the Association shall have the responsibility to comply at all times now and in the future with all DPP regulations relating thereto and any other applicable statutes, ordinances and rules and regulations of Federal, State or County agencies. Neither the Association nor any Owner shall take any actions that may in any way undermine the Association's obligations to comply with such regulations. Each Owner and the Association shall execute any and all documents required by Declarant in Declarant's sole discretion to transfer, if required, any applicable license(s) to the Association. Each Owner shall indemnify and hold harmless Declarant, its successors and assigns, from and against any and all claims and demands for damages in connection with the Association's fulfillment of its obligations in respect of the foregoing licenses and permits.

15. Reserved Rights Regarding Land Use and Other Permits. Developer shall have the reserved right for a period of twenty-five (25) years following the Recordation of the Declaration, without the approval, consent or joinder of, and without notice to, the Association, any purchaser or Owner of any Unit, or any other party with any interest in the Unit (including any tenant), to (a) amend any of the Project

Documents, including, without limitation, the Declaration, (b) enter into any agreements, including, without limitation, to declare and subject the Land and Improvements to restrictive covenants, (c) designate and grant easements, (d) secure any other governmental permits, and (e) do all things necessary and convenient to satisfy the requirements of any land use or other permits pertaining to the Project, including, without limitation, such permits as may be issued authorizing the Project, including one or more Conditional Use Permit(s) (Minor), Zoning Adjustment(s), and Special District (Major) Permit(s), issued by the DPP, and to execute, file and deliver any and all documents necessary to effect the same, including, but not limited to, any amendments to the Declaration and to the Condominium Map.

Such rights shall include, without limitation, the right: (i) to provide open space(s) and a sidewalk for use by the public on the Land; (ii) to establish a private park area(s) at the Project; (iii) to designate one or more areas and/or to record against the Land of the Project an agreement with the Department of Land and Natural Resources of the State of Hawaii for purposes of addressing the preservation, location and/or relocation of any burial or historic sites or artifacts found during development of the Project and protected under the laws of the State of Hawaii; (iv) to modify the Condominium Map and scope of any Limited Common Element or Common Element, including, without limitation, the recreational facilities; (v) to perform such additional offsite requirements as may be mandated, including, without limitation, road widening improvements and/or the provisioning of utilities, traffic signals, bus stops and/or stop signs; (v) to modify unit types, the overall "product mix", the landscaping plan, available number of parking stalls, or the size and/or location of the Commercial Unit or Commercial Structure; and (vi) to prohibit enclosure of the lanais to any Unit in the Project.

16. Reserved Right to Control Association for Limited Period. Developer shall have the reserved right to control the Association in accordance with Section 514B-106(d) of the Act, during which time Developer, or persons designated by Developer, may appoint and remove the officers and members of the Board of Directors. Such period of control of the Association by Developer (the "**Control Period**") shall terminate no later than the earlier of:

- (a) Sixty (60) days after conveyance of seventy-five percent (75%) of the common interest appurtenant to Units to Owners other than Developer or an affiliate of Developer;
- (b) Two (2) years after Developer has ceased to offer Units for sale in the ordinary course of business;
- (c) Two (2) years after any right to add new Units was last exercised; or
- (d) The day Developer, after giving written notice to Unit Owners, Records an instrument voluntarily surrendering all rights to control activities of the Association.

Developer may voluntarily surrender the right to appoint and remove officers and members of the Board of Directors before termination of the Control Period, but in such event Developer may require, for the duration of the period of Developer control, that specified actions of the Association or Board, as described in a Recorded instrument executed by Developer, be approved by Developer before they become effective.

17. Reserved Right Respecting Warranty. For as long as Developer remains liable under any warranty, whether statutory, express or implied, for acts or omissions of Developer in the design, development construction, sale, resale leasing financing and marketing of the Project, then Developer and its contractors, agents and designees shall have the right, in Developer's sole discretion and from time to time and without requiring prior approval of the Association and/or any Unit Owner and without requiring any consideration to be paid by the Developer to the Unit Owners and/or Association (provided, however, that absent an Emergency Situation, Developer shall provide reasonable advance notice), to enter the Project, including the Units, Common Elements and Limited Common Elements for the purpose of inspecting, testing and surveying same to determine the need for repairs, improvements and/or replacements, and effecting same, so that Developer can fulfill any of its warranty obligations. The failure of the Association or any Unit Owner to grant, or to interfere with, such access shall alleviate Developer from having to fulfill its warranty obligations and the costs, expenses, liabilities or damages arising out of any unfulfilled Developer warranty will be the sole obligation and liability of the person or entity who or

which impedes Developer in any way in Developer's activities described in this section and **Section S.17** of the Declaration. **NOTHING HEREIN SHALL BE DEEMED OR CONSTRUED AS DEVELOPER MAKING OR OFFERING ANY WARRANTY, ALL OF WHICH ARE DISCLAIMED (EXCEPT TO THE EXTENT SAME MAY NOT BE BY LAW OR ARE EXPRESSLY SET FORTH HEREIN).**

18. Reserved Right to Inspect. Declarant reserves the right, but not the obligation, to make any inspection of the Common Elements, Limited Common Elements, or Units.

19. Reserved Right to Assign Floor Area Allocable to Commercial Unit. Declarant reserves the right to assign the floor area allocable to the Commercial Unit, including, without limitation, the Commercial Structure, if any.

20. Reserved Right to Transfer Rights to Affiliate. Notwithstanding the provisions of **Section W.3** of the Declaration, Declarant, shall have the right, without obtaining the approval of any party with an interest in the Project, including any other Owner and/or mortgagee, to transfer all of its right, title and interest in, under and to the Declaration and any other Project Document, to an affiliate of Developer, which transfer shall not constitute a material change under the Act.

21. Consent to Exercise of Developer's Reserved Rights. Each and every party acquiring an interest in the Project, by such acquisition: (a) consents to the exercise by Developer or other Unit Owner, as the case may be, of each and every right reserved to such Owner or Developer set forth in the Declaration, including, without limitation, **Sections F, P, R, S and T** of the Declaration, such consent constituting the consent required by Section 514B-140 of the Act with respect to structural alterations and additions to the Project, and to the execution, delivery and Recording (if necessary) of any and all documents necessary to effect the same, including any amendment or amendments of the Declaration and the Condominium Map; (b) agrees to execute, deliver and Record such documents and instruments and do such other things as may be necessary or convenient to effect the same; and (c) appoints Developer and its assigns as such party's or parties' attorney-in-fact with full power of substitution to execute, deliver and Record such documents and instruments and to do such things on such party's or parties' behalf, which grant of such power, being coupled with an interest, is irrevocable for the term of such reserved rights of Developer, and shall not be affected by the disability of such party or parties. Each Owner hereby acknowledges and agrees that this irrevocable power of attorney is: (i) retained for the benefit of Declarant and not the Owner; and (ii) created by Owner's acceptance of a deed to a Unit and as part of the consideration for the purchase and sale of a Unit.

22. Assignment of Reserved Rights. Notwithstanding anything stated herein to the contrary, every Owner of a Unit in the Project and all holders of liens affecting any of the Units and each and every other party acquiring an interest in the Project, or in the Land, or any party thereof, by acquiring such Unit, lien or other interest, consents to and recognizes: (a) the right of Developer to assign, in whole or in part and on an exclusive or non-exclusive basis, the rights reserved to them in the Declaration; (b) upon any such assignment, Developer shall be relieved of any and all liability arising after the assignment; (c) any assignee of Developer shall thereafter be recognized as such under the Declaration; and (d) the right of Developer to also transfer its rights as Developer as collateral for a loan, in which event the assignee lender shall not have the rights and obligations as "**developer**" until it (i) forecloses on the loan or obtains a deed in lieu of foreclosure and takes title to Developer's interest in the Project, and (ii) Records an instrument declaring itself to be "**Developer**".

23. Name of Project. Any time prior to the transfer of the last Unit in the Project to a third party, Developer may, by Recorded amendment to the Declaration, change the name of the condominium property regime and the Association, without the consent or joinder of, and without notice to, any Owner or any Owner's mortgagee.

24. Assignment of Parking Stalls. Declarant shall have the right in its sole and absolute discretion to assign one or more parking stalls to each Residential Unit and to the Commercial Unit in an amendment and/or supplement to the Declaration which designation shall not constitute a material change and shall not require the consent or joinder of, or notice to, any person or group of persons, including the Association, any Owner or Mortgagee, any Unit mortgagee, lien holder, purchaser or any other person who may have an interest in the Project or in any Unit.

25. Incremental Development. Declarant reserves the right to improve and include within the Project any number of Residential or Commercial Units as Declarant, in its sole discretion determines. Declarant will complete improvement of various Units in as many separate Increments as Declarant shall determine in its sole discretion. Declarant will complete improvement of various Units in as many separate Increments as Declarant shall determine in its sole discretion. Declarant contemplates, however, that the Residences will be offered on a floor by floor basis or on a multi-floor basis; provided, however, multiple increments may be offered concurrently. Any other provision in the Declaration to the contrary notwithstanding, Declarant shall have the right (but shall not be obligated) at its sole discretion under this section and **Section E** of the Declaration, without being required to obtain the consent or joinder of, and without notice to, any person or group of persons, including the Association, any Owner or Mortgagee, any Unit mortgagee, lien holder, purchaser or any other person who may have an interest in the Project or in any Unit, to develop, construct, transfer, convey and/or sell the Units hereunder in increments on a floor by floor basis, or otherwise. Upon the completion of any Unit within an increment, Declarant may, notwithstanding the incompleteness of any other increment(s) or other Units in the pending increment, but subject to the Project Documents and the provisions of the sales contract for the sale of such Unit, thereupon transfer ownership of such Unit in such increment to the Unit purchasers. The rights reserved to Declarant in this section and **Section E** of the Declaration are subject to the easements set forth in **Section F** of the Declaration.

26. Developer's Sales Activities. Developer and its agents, employees, contractors, licensees, successors, and assigns shall have the right to conduct extensive sales activities on and at the Project, including, without limitation, the use of any Unit owned by Developer, and the Limited Common Elements appurtenant thereto as model Units, sales and management offices, and to conduct extensive sales displays and activities until the closing of the sale of the last unsold Unit in the Project. Without limitation of the foregoing, these reserved rights and easements include: (a) the right to enter the common areas of the Project for the purpose of showing prospective purchasers Units in the Project; (b) the right to place displays, advertising signs, billboards, flags, balloons, banners, lights and spotlights upon the Project (or any portion of the Project, including, without limitation, the roof areas, the Buildings, any lanai, any lobby area or otherwise), and to light the Buildings or any portion thereof shown on the Condominium Map in conjunction with sales of Units; (c) the right of Declarant to use any Unit owned or rented by Declarant and that portion of any Lobby area determined appropriate by Declarant for a sales office or for sales or display purposes until all Units have been sold; and (d) the right of Declarant to reserve parking areas within the Project for employees, agents and prospective buyers, even if such parking areas are designated as Limited Common Elements. In the event that Developer's Mortgagee or any successor to or assignee of Developer's Mortgagee shall acquire any portion of the Project in the course of any foreclosure or other legal proceeding or by a deed in lieu of foreclosure, such Mortgagee, its successors and assigns, shall be vested with the rights of Developer under the Declaration and without limitation of the foregoing shall have the same right to conduct such extensive sales activities on the Project. Each and every party acquiring an interest in the Project hereby acknowledges that the sales activities may result in noise and nuisances, and consents to such activity by Developer, and further waives, releases and discharges any rights, claims or actions such party may acquire against Developer, its brokers, sales agents, employees and lenders, and their respective successors and assigns as a result of any such activity or activities.

27. Developer's Reserved Rights Concerning Easements. Developer hereby reserves the right to designate, grant, convey, transfer, cancel, relocate and otherwise deal with any easements over, under, across or through the Common Elements for any reasonable purpose, which may include, but shall not be limited to, any easements for utilities or for any public purpose. Developer hereby further reserves the right to transfer, cancel, relocate, annex to the Project, or otherwise deal with any easement over, under, across or through any land adjacent to or across the street from the Project, for any reasonable purpose, which reserved right may include, but shall not be limited to, (a) the right to accept and annex to the Project a license, grant of easement, or any other right for the purpose of access and utility service to the Project and to obligate the Association to satisfy the terms and conditions of such license, grant, or other right, (b) the right to effectuate the same purposes set forth above and in **Section F** of the Declaration, and (c) the right to negotiate with any owner of land upon which such easement is located on behalf of the Association and Owners any and all terms and conditions upon which such easement may be relocated, expanded, reduced, modified, or otherwise altered, and to execute, deliver,

and Record any instruments providing therefor upon or including such terms and conditions as Developer may reasonably determine to be just or appropriate. To the extent that the joinder of any Unit Owner, lien holder, or other person who may have any interest in the Land or the Project or any Unit in it may be required in order to validate any act or thing done pursuant to the foregoing reservations, such joinder shall be accomplished by power of attorney from each of the Owners, lien holders, or other such parties, the acquiring or acceptance of ownership in a Unit or of a lien covering a Unit or any other interest in the Project or Land subject to the Declaration being a grant of such power and the grant being coupled with an interest, being irrevocable.

28. Developer's Easements Over the Common Elements. Notwithstanding anything provided in the Declaration to the contrary, Developer and the assignee of Developer's reserved rights shall have an easement over the Common Elements of the Project, which easement may be assigned from time to time to anyone whom Developer wishes, including Owners and non-owners, on a permanent or temporary basis, for access over, under, across and through and to utilize the Common Elements of the Project.

29. Developer's Easements to Effect the Subdivision or Consolidation of Units. Developer, its agents, employees, consultants, contractors, licensees, successors, Mortgagees and assigns, shall have an easement over, under, upon and through the Common Elements and any Limited Common Elements and through the Units or any portion thereof as may be reasonably necessary to effect the subdivision or consolidation of Units, and such easement shall allow Developer, its agents, employees, consultants, contractors, licensees, successors, Mortgagees and assigns, to create and cause dust and other nuisances created by and resulting from any work connected with or incidental to effecting any such subdivision or consolidation provided that any such work is undertaken with the exercise of reasonable diligence.

30. Developer's Easements for Construction and Annexation.

(a) Developer, its agents, employees, consultants, contractors, licensees, successors, mortgagees and assigns, shall have an easement over, under and upon the Project as may be reasonable or appropriate for additional construction, completion of improvements to and correction and/or repairs of defects and/or other "punchlist" items in the Project. The rights reserved in this section and Section F.9 of the Declaration shall continue until twenty-five (25) years after the later of: (i) the Recording of the "as built" verified statement required by Section 514B-34 of the Act; (ii) the "date of completion" of the improvements as defined in HRS Section 507-43(f) as amended of the last Unit constructed in the Project; (iii) the date of the sale of the last Unit owned by Declarant in the Project; or (iv) the expiration of the applicable limited warranty period for any portion or portions of the Common Elements. In addition to any other easements reserved to Declarant under the Declaration, in connection with, and to the extent necessary for the development and construction of increments following the transfer of ownership of any Unit to an individual or entity other than Declarant, Declarant shall have the right to enter upon the Project premises with employees, agents and contractors for all purposes reasonably necessary for or useful to constructing and completing all increments in accordance with the Declaration and the Condominium Map. Such rights shall include, but are not limited to, the following:

(i) An easement over, under and across the common elements of the Project for the purposes of all work connected with or incidental to the development, construction and sale of the Units or increments; and

(ii) The right in the nature of an easement over and upon the existing buildings and common elements of the Project to create and cause dust, noise, vibration and other nuisances created by and resulting from any work connected with or incidental to the development, construction and sale of the increments or Units.

(b) Declarant, its contractors, subcontractors, licensees, mortgagees and assigns, and their respective employees and agents, shall have the right and an easement in favor of Declarant and its successors and assigns is hereby granted at any time and from time to time prior to the twenty-fifth (25th) anniversary date from the Recording of the Declaration, to enter upon, use, remove, replace, add to, or otherwise alter the common elements and the limited common elements of the Project and to do all things reasonably necessary, desirable or useful for designing, developing, constructing or

completing any additional increment to the Project, connecting any such additional increment to the utility installations of the Project, and selling the Units contained within any such additional or increment, including, but not limited to, the right to consolidate any parcel(s) of land covered hereby with any other parcel(s) of land in connection with the merger of increments; provided that the exercise of the rights granted herein shall not cause any permanent or avoidable interruption in the service of utilities to the Project, and provided further that any person exercising such rights shall use reasonable efforts, without additional cost to Declarant and consistent with maintaining the progress of the design, development, construction, completion and sale of the additional increment, to minimize interference with the Owners' use and enjoyment of the Property. Declarant further reserves the right to grant, for the benefit of the owner or owners from time to time of all or any portion of each of the other Increments, and without the consent or joinder of, and without notice to, any party having any interest in the Project, easements over, under, across, along, upon and through the common elements of the Project for ingress and egress purposes, access purposes, electrical, gas, communications and other utility purposes, sanitary sewer, drainage and drainline, waterline, and flowage purposes, and all other purposes, to the State of Hawaii, the County, the Board of Water Supply of the County, any other appropriate governmental agency, and/or any public or private utility or other corporation, partnership, individual or entity, provided that such easements and rights-of-way do not materially impair or interfere with the use of any Unit in the Project or the common elements of the Project.

(c) Without limiting the foregoing, anything to the contrary notwithstanding, Declarant shall have the following retained and reserved construction easements:

(i) A non-exclusive easement in all structural members, footings, caissons, foundations, columns and beams and any other supporting components located in or constituting a part of the Project;

(ii) A non-exclusive easement for access to, the right to connect to and the use for their intended purposes and Maintenance, of all Facilities located in the Project including heating, ventilating and air conditioning systems, boilers and hot water systems;

(iii) A non-exclusive easement permitting encroachments in the event and to the extent that, by reason of the original construction or any reconstruction or replacement of any improvements currently located or hereafter constructed on any part of the Project or the subsequent settlement or shifting of any part of the improvements on any portion of the Project;

(iv) A non-exclusive easement in and for the use of all Common Walls, Floors and Ceilings common to the Project;

(v) A non-exclusive easement for ingress and egress of persons and vehicles through, over and along all portions of the Project as they exist on the date the Declaration is Recorded and which, by their nature, currently permit the passage of persons and motor vehicles, respectively, for the purpose of affording access to and egress from the public alleys and streets adjoining the Project; and

(vi) A non-exclusive easement for ingress and egress of persons and vehicles through, over and along all portions of the Project as they exist on the date the Declaration is Recorded to construct and Maintain Facilities therein, provided that the existence of the Facilities when completed does not materially interfere with the use of the Project through or in which the Facilities are constructed for their intended purpose. During construction of the Facilities, Declarant and its contractors may restrict the use of the common areas of the Project as would be normal for the type of construction involved, provided that the common areas of the Project can still be used for the purpose for which they were designed, or reasonable alternative services are available.

(d) The purpose of the easements declared and granted in this section and **Section F** of the Declaration is to enable Declarant to fully exploit and use the Project or any portion thereof for any lawful purpose whatsoever and to construct thereon any improvements which Declarant is lawfully permitted to construct, and, in connection with such construction, to connect to, rest upon, abut and otherwise receive support for any improvements which may be created, from the improvements currently

located on the Project adjoining the area of such improvement and for ingress and egress through the common areas of the Project as currently enjoyed. Declarant's exercise of rights reserved in this section and **Section F** of the Declaration are subject to Declarant's agreement to repair at its sole cost, in a good and workmanlike manner and in accordance with all laws any damage caused to the Project by reason of the exercise of the Easements granted by this section and **Section F** of the Declaration. The Easements granted in this section and **Section F** of the Declaration are perpetual and may assigned in whole or in part, subject to such limitations as may be determined appropriate by Declarant in Declarant's sole discretion, by Declarant to one or more Owners.

31. Noise, Dust, Vibration, and Other Inconveniences. Declarant and its agents, employees, contractors, licensees, successors, Mortgagees, and assigns shall have an easement over, under, and upon any portion of the Project to create and cause noise, dust, vibration, and other nuisances or annoyances created by and resulting from any work connected with or incidental to the development, construction, and sale of any Unit or other improvement to the Project, any additional phase to the Project, or any other development which Declarant, its successors or assigns, may develop on property adjacent to or in the vicinity of the Project. Each and every Owner or other person acquiring any interest in the Project waives any and all rights, claims or actions that might otherwise be asserted against Declarant, its agents, employees, licensees, successors, Mortgagees, and assigns, based on any such noise, dust, vibration, and other nuisances or annoyances.

32. Storm Sewer. Each Owner acknowledges and agrees that Declarant, on behalf of the Association, may seek or has obtained certain licenses and permits from the DPP relating to the connection of the Project to the public storm sewer system. To the extent that any such licenses or permits have not been issued to the Association, Declarant and its agents, employees, contractors, licensees, successors, Mortgagees, and assigns, reserve the right to transfer to the Association any and all obligations in connection with such permits. In connection with such permits and licenses, the Association shall have the responsibility to comply at all times now and in the future with all DPP regulations and any other applicable statutes, ordinances, and rules and regulations of Federal, State, or County agencies relating to the discharge, drainage, and runoff of storm water and surface water, and their constituents, from the Project into the public storm sewer system. Neither the Association nor any Owner shall take any actions that may in any way undermine the Association's obligations to comply with such regulations. Each Owner and the Association shall execute any and all documents required by Declarant in Declarant's sole discretion to transfer, if required, any applicable license(s) relative to such discharge, drainage, and runoff to the Association. Each Owner shall indemnify and hold harmless Declarant, its successors and assigns, from and against any and all claims and demands for damages in connection with the Association's fulfillment of its storm sewer connection obligations.

33. Drainage. Declarant hereby reserves to itself and the Association, and their respective officers, agents, employees, successors, and assigns, an easement to enter upon, across, over, in, and under any portion of the Project for the purpose of changing, correcting, or otherwise modifying the grade or drainage channels of any portion of the Project so as to improve the drainage of water on the Project. Reasonable efforts shall be made to use this easement so as to disturb as little as possible the uses of the Owners, the Association and Declarant, as applicable, to prosecute such drainage work promptly and expeditiously, and to restore any areas affected by such work to a sightly and usable condition as soon as reasonably possible following such work. The rights reserved in this section and **Section F.14** of the Declaration shall continue until twenty-five (25) years after the later of: (i) the Recording of the "as built" verified statement required by Section 514B-34 of the Act; or (ii) the "date of completion" of the improvements as defined in HRS Section 507-43(f) of the last Unit constructed in the Project.

34. Limited Common Element Encroachments. There shall be reciprocal appurtenant easements of encroachment as between adjacent Limited Common Elements due to the unintentional placement or settling of shifting of the improvements constructed, reconstructed, or altered thereon (either initially by Declarant or subsequently in accordance with the terms of the Declaration) to a distance of not more than one foot, as measured from any point on the common boundary between said adjacent Limited Common Elements, along a line perpendicular to such boundary at such point; provided, however, in no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct or negligence (e.g., failure to have a survey done prior to construction) on the part of an Owner or the

Association. Any such easements for encroachment shall be for the encroachment and for the maintenance thereof (including access to and from the encroachment).

35. Non-Exclusive Easements Over the Project for Access to Parking Stalls; Exclusive Right to Designated Parking Stalls. Parking stalls that are appurtenant to any Unit owned or controlled by Declarant, specifically including the parking stalls scheduled as Developer's Reserved Stalls in **Exhibit D**, if any, and any parking stall or stalls denominated by Declarant in an amendment to the Declaration are hereby denominated as "**Declarant Reserved Stalls**" and/or "**Declarant Reserved Parking Stalls.**" Declarant hereby reserves for its benefit the right and easement for access, ingress, and egress through the Parking Garage to any parking stalls, including, without limitation, Declarant Reserved Stalls. Declarant further hereby reserves for its benefit the exclusive right to use and/or assign and/or sell Declarant Reserved Stalls to any third party.

36. Storage Areas and Cabanas. Storage areas, if any, shown on the Condominium Map bearing the same number (preceded by "S-") as the Parking Stall shall be appurtenant to the Unit to which the Parking Stall is assigned and may not be separated from the Parking Stall to which it is assigned. Without limiting any other right reserved or available to Declarant in the Declaration or at law, Declarant hereby reserves for its benefit for a period of twenty-five (25) years from the Recording of the Declaration an exclusive right to assign to Owners the right to use (i) any storage area shown on the Condominium Map and bearing a number preceded by "S-" and (ii) any cabana shown on the Condominium Map and bearing a number preceded by "C-". Such storage areas and cabanas may be made appurtenant to any Unit or made a Common Element, in each case by Recorded Amendment to the Declaration.

37. Access Easements. A non-exclusive Easement is hereby granted to the Association for ingress and egress by persons, material and equipment in the Improvements and the Property, but only to the extent reasonably necessary to permit Maintenance by the Association as required or permitted pursuant to the Declaration, or to the extent otherwise reasonably necessary to exercise the Easement for the benefit of the Association.

38. Easements for Utilities and Access. Declarant reserves the right for itself and its successors and assigns without the consent or joinder of, and without notice to, any Owner or its mortgagee to create, designate, grant, convey, transfer, cancel, relocate, or otherwise deal with, for the benefit of the Project or, in Declarant's sole discretion, for the benefit of others, including, without limitation, the Association or individual Unit Owners, any easements, licenses, and rights of way at any time for utilities, any public-type facility (mailboxes and the like), amenities designed to benefit one or more Unit types (such as valet service and kiosks), sanitary and storm sewers, cable transmission facilities, telecommunication systems and facilities, refuse disposal, landscape, maintenance, driveways, parking areas, access roadways, and other similar purposes, on, over, across, under, and through the Common Elements of the Project. Without limiting the generality of the foregoing, Declarant reserves the right (x) to utilize for any purposes specified in this section and **Section F.19** of the Declaration any of the facilities (whether common, limited common, or newly constructed) described in the prior sentence (such as, but not limited to, waterlines, sewer lines, access roadways and the like) whether located in designated easement areas or otherwise, together with the right of entry to construct, reconstruct, operate, maintain, repair and relocate such lines, facilities, and appurtenances, (y) to grant any such easements or rights of way to governmental or quasi-governmental authorities, utility or service companies, homeowner's associations, or other entities, and (z) the right to grant, dedicate, designate, use, and enjoy easements and/or rights-of-way for access purposes (including for vehicular and pedestrian access). Declarant may, in its discretion, complete any construction of intended facilities in advance of the designation or creation and granting of the easement covering the facilities so constructed. Declarant reserves the right to collect and retain, without accounting to the Board, the Association, or any Owner, all amounts payable under any easement or under any assignment of Declarant's right under the Declaration. These reserved rights shall be exercised in a manner that will not materially impair or interfere with the use of any Unit. Each Owner, by purchasing a Unit, consents to any such designation, grant, conveyance, transfer, cancellation, relocation, and reservation of easements and/or rights of way as provided above without the necessity of any Owner or those claiming by, through, or under an Owner entering into any further agreement respecting such action or document; provided, however, that such Owner and those claiming by, through, or under an Owner agree to join in and execute such documents and instruments and do such other

things as may be necessary or convenient to effect the same promptly at the request of Declarant without payment of additional consideration. The rights reserved to Declarant include specifically, without limitation, the right to utilize any utility service to the Project and grant the right of use of such utility service to serve adjacent and separate developments outside of the Project provided Declarant sub-meters such use and the right to use roadways in the Project to serve adjacent developments provided the Association controlling such development shares pro rata in the cost of maintenance and repair of the roadway, if applicable. The rights reserved in this section and **Section F.19** of the Declaration shall continue for a period of twenty-five (25) years following the Recordation of the Declaration. Each Owner, by purchasing a Unit, consents to any such designation, granting, conveyance, transfer, cancellation, relocation and reservation of easements and/or rights of way as provided above without the necessity of any Owner or those claiming by, through or under an Owner entering into any further agreement respecting such action or document; provided, however, that such Owner and those claiming by, through or under an Owner agrees to join in and execute such documents and instruments and do such other things as may be necessary or convenient to effect the same promptly at the request of Declarant without payment of additional consideration.

39. Former Makaoe Lane and Pau Lane. The City and County of Honolulu may have an implied easement for roadway access purposes (the "**implied easement**") over (i) a portion of Royal Patent Grant Number 2789 to W. L. Moehonua, formerly known as Makaoe Lane and described as Parcel Ninth in **Exhibit A** to the Declaration ("**RP Grant No. 2789**"), and/or (ii) a portion of former Pau Lane as reflected on the Condominium Map and described as Parcel Tenth in **Exhibit A** to the Declaration ("**Pau Lane**"). Such portions of RP Grant No. 2789 and Pau Lane shall be kept open to the public for roadway access purposes to the extent required by the City and County of Honolulu, subject to reasonable limitations imposed by the Association. Notwithstanding the foregoing, Declarant reserves the right, for itself and its successors and assigns without the consent or joinder of, and without notice to, any Owner or its mortgagee, to secure an abandonment by the City and County of Honolulu of the implied easement.

END OF EXHIBIT O

EXHIBIT P

Section 4.2 -- Estimate of the Initial Maintenance Fees

THIS EXHIBIT IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF THE ESTIMATE OF THE INITIAL MAINTENANCE FEES CONTAINED IN THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE PROJECT. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES OR OTHER DOCUMENTS OF THE PROJECT, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

The Estimated Maintenance Fee Disbursements for Allure Waikiki have been compiled by Hawaiiana Management Company, a licensed property manager, assuming that all units in the Project as reflected on the Condominium Map are constructed. Although the Managing Agent makes every effort to estimate the actual cost of operation, many factors will affect the ultimate cost of operation and certain budget items may change, including, but not limited to, insurance in view of today's insurance market which is rapidly changing due to worldwide disasters having a local effect on the reinsurance market, and other third party costs. Purchaser is aware that such amounts are only estimates and may change for reasons beyond the control of Developer, and Purchaser hereby specifically accepts and approves any such changes. Purchaser is also aware that such estimates do not include Purchaser's obligation for payment of real property taxes. Purchaser understands that such estimates are not intended to be and do not constitute any representation or warranty by Developer, including, but not limited to, any representation or warranty as to the accuracy of such estimates. Purchaser understands that Developer has not independently confirmed the accuracy or content of the estimates prepared by the licensed independent Managing Agent. Further, Developer advises that costs and expenses of maintenance and operation of a condominium community are very difficult to estimate initially and even if such maintenance charges have been accurately estimated, such charges will tend to increase in an inflationary economy and as the improvements age. Maintenance charges can vary depending on services desired by unit owners and may increase significantly depending on the level of services eventually selected by the Association's Board of Directors. Purchaser should examine the maintenance charges schedule to see what services are included in the schedule and address these issues with its Board upon its formation.

Purchasers should also be aware that the estimates provided are as of the date reflected in the Managing Agent's certification and do not reflect the actual charges that may be incurred upon the formation of the Association and the actual contracting for such services such as insurance and maintenance, etc. Inasmuch as the estimates are the Managing Agent's best estimate as of the date reflected in the Managing Agent's certification, there may be an increase in the cost of operation for reasons not in the control of Developer at the time units are delivered. For example, without limitation, there may be an increase in the cost of operation due to the projected increase by the City and County of Honolulu in sewer fees by as much as one hundred fifty percent (150%) through 2014, or an increase in cost for the resident manager in view of historically low unemployment rates in the State of Hawaii, or an increase in insurance costs for a variety of reasons, or an increase due to the mere passage of time.

Developer intends to pay all of the actual common expenses for the units and the unit owner shall not be obligated for the payment of the owner's share of the common expenses until such time as Developer causes a thirty (30) day advance written notice to be sent to the Owners that, after a specified date, the unit owners shall be obligated to pay for the portion of common expenses that is allocated to their respective units. Developer shall mail the written notice to the owners, the association, and the managing agent, if any, at least thirty (30) days before the specified date.

The estimate of the initial annual maintenance fees and monthly estimated Maintenance fees is attached hereto.

CERTIFICATE

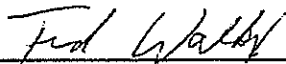
I, the undersigned, duly sworn on oath, depose and affirm as follows:

1. I am the Senior Vice President, Operations for Hawaiiana Management Company, Ltd., a Hawaii corporation, designated by the Developer of the Allure Waikiki condominium project (the "Project") to act as the Managing Agent for the management and administration of the Project.

2. I hereby certify that the breakdown of the annual maintenance charges and the monthly estimated cost for each unit in the Project, as set forth in Exhibit "1" attached hereto and hereby incorporated herein by reference, were determined in accordance with Section 514B-148 of the Hawaii Revised Statutes and Chapter 107 of the Hawaii Administrative Rules, and are reasonable estimates for the one-year period commencing October 13, 2009, based on generally accepted accounting principles.

3. As permitted pursuant to Section 514B-148(b), new associations need not collect estimated reserves until the fiscal year which begins after the association's first annual meeting. The Developer has not conducted a reserve study for the Project. The budget amount for Reserves is an estimate only.

DATED: Honolulu, Hawaii, this 13th day of October, 2009.



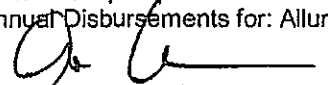
Name: TED WALKEY
Title: SENIOR VICE PRESIDENT
OPERATIONS

Subscribed and sworn to before me
this 13th day of October, 2009.

State of Hawaii
City & County of Honolulu

Date: October 13, 2009 # of Pages: 11

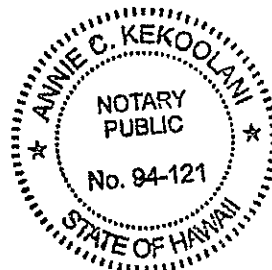
Doc. Description: Certificate of Managing Agent & Estimated
Annual Disbursements for: Allure Waikiki



Notary Signature
Name: Annie C. Kekoolani

No. & Expiration:

94-121 ; 02.16.2010



First Circuit, State of Hawaii

NOTARY CERTIFICATION

10-13-09

Estimate of Maintenance Fee Disbursement

Allure Waikiki
(292 units)

Utilities	Monthly	Annually
Electricity	\$80,000	\$960,000
Electricity Reimbursement	-\$40,000	-\$480,000
Cable TV, Phone & Internet	\$18,500	\$222,000
Water	\$3,000	\$36,000
Sewer	\$15,000	\$180,000
Telephone	\$1,000	\$12,000
Contract Services		
Air Conditioning	\$1,000	\$12,000
Window Cleaning	\$4,000	\$48,000
Elevator	\$3,000	\$36,000
Pest Control	\$200	\$2,400
Mechanical Systems	\$1,500	\$18,000
Refuse	\$2,500	\$30,000
Maintenance		
Air Conditioning	\$1,200	\$14,400
Cleaning Supplies	\$800	\$9,600
Elevator	\$300	\$3,600
Grounds	\$1,000	\$12,000
Electrical/Lighting	\$1,000	\$12,000
Plumbing	\$200	\$2,400
Pool and Spa	\$500	\$6,000
Paint	\$500	\$6,000
Fire Systems	\$300	\$3,600
Building Repairs	\$1,000	\$12,000
Misc Rprs & Purchs	\$400	\$4,800
Tools	\$200	\$2,400
Amenities	\$500	\$6,000
Professional Services		
M.A. Admin Supplies & Services	\$2,000	\$24,000
AOAO Admin Expenses	\$1,000	\$12,000
Education	\$400	\$4,800
Management Services	\$6,292	\$75,504
Audit	\$167	\$2,004
Legal Fees	\$1,000	\$12,000
Consulting Fees	\$400	\$4,800
Payroll & Benefits		
P/R - Manager	\$5,417	\$65,004
P/R - Maintenance & Janitorial	\$19,583	\$234,996
P/R - Security	\$28,000	\$336,000
P/R - Office	\$3,000	\$36,000
Workers Comp	\$4,000	\$48,000
TDI	\$300	\$3,600
Health Care	\$8,000	\$96,000
Payroll Taxes	\$5,500	\$66,000
Payroll Prep	\$260	\$3,120
Manager Housing Exp	\$2,500	\$30,000
Other Expenses		
Property & Liability	\$14,000	\$168,000
Flood	\$3,585	\$43,020
Miscellaneous Expenses	\$1,000	\$12,000
Contingency	\$496	\$5,952
Reserves Contribution	\$16,000	\$192,000
TOTAL	\$220,500	\$2,646,000

10-13-09

Estimate of Maintenance Fee Disbursement

Allure Waikiki
(292 units)

I, Ted Walkey, as agent for/and/or employed by Hawaiiana Management Company, the condominium managing agent for Allure Waikiki condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Ted Walkey
Signature

10/13/09
Date

Pursuant to 514B-148,7b, Hawaii Revised Statutes, a new association need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting. The Developer has not conducted a reserve study for the Project. The budget amount for Reserves is an estimate only.

Pursuant to the declaration the Commercial unit shall not be assessed for common expenses until such time as the Commercial unit is improved.

The estimate of maintenance fee disbursement does not currently include anticipated costs for inspections mandated by Section H.11 of the Declaration. Pursuant to Section H.11 of the Declaration, certain inspections must be undertaken within one (1) year following the first meeting of the members of the Association and shall take place thereafter at least annually or as recommended in the Maintenance Manual.

10-13-09

Estimate of Initial Maintenance Fees

Allure Waikiki
(292 units)

[illegible]

Allure Waikiki
(292 units)

[illegible]

Allure Waikiki
(292 units)

[illegible]

Estimate of Initial Maintenance Fees

Allure Waikiki
(292 units)

Unit Type	AOAO Common Interest	Residential Common Interest	Monthly Fee	Yearly Total
D	0.3495%	0.3603%	\$794.46	\$9,533.54
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
E	0.3912%	0.4032%	\$889.06	\$10,668.67
F	0.2971%	0.3063%	\$675.39	\$8,104.70
F	0.2971%	0.3063%	\$675.39	\$8,104.70
F	0.2971%	0.3063%	\$675.39	\$8,104.70
F	0.2971%	0.3063%	\$675.39	\$8,104.70
F	0.2971%	0.3063%	\$675.39	\$8,104.70
F	0.2971%	0.3063%	\$675.39	\$8,104.70
F	0.2971%	0.3063%	\$675.39	\$8,104.70
F	0.2971%	0.3063%	\$675.39	\$8,104.70
F	0.2971%	0.3063%	\$675.39	\$8,104.70

Allure Waikiki
(292 units)

[illegible]

10-13-09

Estimate of Initial Maintenance Fees

Allure Waikiki
(292 units)

[illegible]

Estimate of Initial Maintenance Fees

Allure Waikiki
(292 units)

Unit Type	AOAO Common Interest	Residential Common Interest	Monthly Fee	Yearly Total
M	0.3991%	0.4114%	\$907.14	\$10,885.64
M	0.3991%	0.4114%	\$907.14	\$10,885.64
M	0.3991%	0.4114%	\$907.14	\$10,885.64
M	0.3991%	0.4114%	\$907.14	\$10,885.64
M-1	0.3857%	0.4039%	\$890.60	\$10,687.19
M-1	0.3857%	0.4039%	\$890.60	\$10,687.19
M-1	0.3857%	0.4039%	\$890.60	\$10,687.19
M-1	0.3857%	0.4039%	\$890.60	\$10,687.19
M-1	0.3857%	0.4039%	\$890.60	\$10,687.19
M-1	0.3857%	0.4039%	\$890.60	\$10,687.19
M-1	0.3857%	0.4039%	\$890.60	\$10,687.19
M-1	0.3857%	0.4039%	\$890.60	\$10,687.19
M-1	0.3857%	0.4039%	\$890.60	\$10,687.19
M-1	0.3857%	0.4039%	\$890.60	\$10,687.19
TOTAL	100.0000%	100.0000%	\$220,500.00	\$2,646,000.00

(*) Pursuant to the Declaration the Commercial Unit shall not be assessed for common expenses until such time as the Commercial Unit is improved.

THE ORIGINAL OF THE DOCUMENT
RECORDED AS FOLLOWS:
STATE OF HAWAII

BUREAU OF CONVEYANCES

DATE _____ TIME _____
DOCUMENT NO. _____ Doc 2009-155932
OCT 09, 2009 11:00 AM

RETURN BY MAIL ☐ PICKUP XX TO:

Case, Lombardi & Pettit (DML)
737 Bishop Street, Suite 2600
Honolulu, HI 96813

Total Pages: 4

Tax Map Key No.: (1) 2-6-013-022

AMENDMENT TO DECLARATION
OF CONDOMINIUM PROPERTY REGIME OF
ALLURE WAIKIKI
(CONDOMINIUM MAP NO. 4437)

On this 7th day of October 2009, FRC WAIKIKI, LLC, a Delaware limited liability company, the address of which is 550 West Adams, Suite 200, Chicago, IL 60661 (hereinafter called "Declarant"), does hereby amend that certain Declaration of Condominium Property Regime of Allure Waikiki Condominium Map No. 4437 recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2007-074084 ("Declaration") as amended and/or supplemented.

RECITALS:

A. By Declaration, Declarant submitted certain land and improvements, as described in the Declaration, to a condominium property regime (hereinafter "Community"), with the plans therefor filed as Condominium Map No. 4437 in said Bureau ("Condominium Map").

B. Pursuant to the rights of Declarant under the Declaration, including, without limitation, Section R.3 thereof, Declarant has reserved the right, notwithstanding the lease, sale or conveyance of any Unit and without being required to obtain the consent or joinder of, and without notice to, any Unit Owner, lien holder, or other persons, to amend the

Declaration to reflect modifications permitted pursuant to Developer's reserved right pursuant to Section S or Q of the Declaration.

AMENDMENT:

1. Pursuant to the rights reserved to Declarant the Declaration, including, without limitation, Section S.11 thereof, Declarant hereby amends Section S.2 of the Declaration by amending and restating the Section S.2(d)(ii) thereof in its entirety as follows (solely for convenience, modified language is italicized, deleted language is not shown):

No Change in Common Interest. *Except to the extent required to comply with the Act, the deletion and removal of the Removable Land shall not reapportion the allocation of common interest appurtenant to the Residential Units.*

2. Except as amended by this instrument, the Declaration shall continue in full force and effect as first written.

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DECLARANT has duly executed this instrument as of the date first referenced above.

FRC WAIKIKI, LLC, a Delaware limited liability company

By _____

Name: Alan Schachtman

Title: Authorized Signatory

STATE OF ILLINOIS

)

) SS.

COUNTY OF COOK

)

On this 7 day of OCTOBER, 2009, before me personally appeared ADAN SCHACHMAN, to me personally known, who, being by me duly sworn or affirmed, did say that such person(s) executed the foregoing instrument as the free act and deed of such person(s), and if applicable in the capacities shown, having been duly authorized to execute such instrument in such capacities.

Lisa Stiner

Type or print name: LISA STINER
Notary Public, State of ~~Hawaii~~ ILLINOIS
My commission expires: 01/09/12

Date of Doc: <u>7 OCTOBER 2009</u>	# Pages: _____
Name of Notary: <u>LISA STINER</u>	Notes: _____
Doc. Description: <u>Amendment to Declaration of</u> <u>Condominium Property Regime of Allure Waikiki</u>	
<i>Lisa Stiner</i> Notary Signature	(stamp or seal)
_____ Circuit, State of Illinois	
NOTARY CERTIFICATION	

OFFICIAL SEAL
LISA STINER
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES: 01/09/12